

# EXHIBIT C



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## Lumber Liquidators importing illegal hardwood flooring

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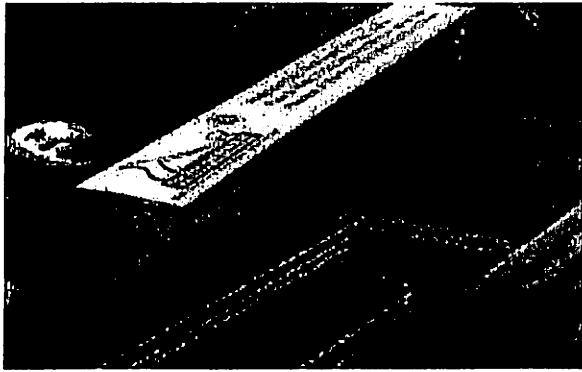
### New report reveals largest flooring retailer is fueling Russia's illegal logging crisis and endangering Siberian Tigers

WASHINGTON, D.C. - Since the United States passed the 2008 amendments to the US Lacey Act, Lumber Liquidators has continued to purchase, through a Chinese supplier, millions of square feet of illegal wood originating in the Russian Far East, which provides the habitat for the last 450 Siberian tigers in the world, according to a new report released today by the Environmental Investigation Agency (EIA). Lumber Liquidators is the largest retailer of hardwood flooring in the United States and is under investigation by federal authorities for possible violations of the Lacey Act – a law banning the illegal harvest and trade of wood and timber products.



The report, *Liquidating the Forests: Hardwood Flooring, Organized Crime, and the World's Last Siberian Tigers* reveals that demand for hardwood flooring and furniture in the United States, European Union, Japan, and China is fueling corruption and making the world's last temperate hardwood forests into a major epicenter for illegal logging. As much as 80 percent of all timber exported annually from the region is illegal. This activity serves to enrich a handful of corrupt actors, while destroying the Russian Far East's unique biodiverse ecosystem, depriving the Russian state of tens of millions of dollars in lost tax revenue and threatening the livelihoods of over 100,000 indigenous people.

"Organized criminal groups send out logging brigades to steal valuable hardwoods from protected areas and in this way decimates the last Siberian tiger habitat." said Alexander von Bismarck, Executive Director of EIA, a Washington DC and London based non-profit dedicated to exposing environmental crime. "Importing cheap illegal wood from the Russian Far East is a tragic crime of convenience that directly undercuts any business trying to play by the rules. The same types of wood are available around the world from legal and sustainable sources."

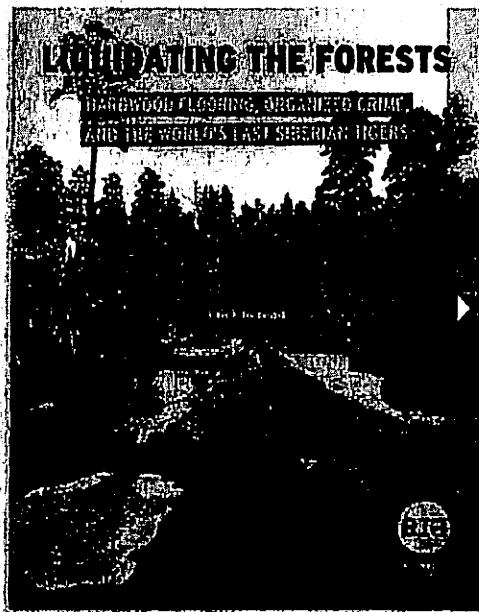


Posing as timber buyers, EIA investigators went undercover to identify the worst actors in the Russian Far East and found that a company called Suifenhe Xingjia Group ("Xingjia") freely admitted to illegal logging and paying bribes and that their single biggest trading partner was Lumber Liquidators. The report reveals that several of Xingjia's suppliers are under investigation by Russian authorities for illegal logging and

organized crime. EIA investigators recorded Xingjia officials saying that Lumber Liquidators knew where the wood came from.

The US Lacey Act requires companies to take prudential measures to exclude illegally cut wood from their supply chains. China, however, has yet to enact a comparable prohibition on illegal timber imports.

"Any company buying products containing wood from the Russian Far East, whether directly or via China, should know that it may be using stolen wood and must take great care to ensure legality," said von Bismarck. "Without action by governments to enforce laws like the Lacey Act, consumers will continue to be unwitting financiers of the timber mafias that are raiding the world's forests."



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